

Coronavirus (COVID-19) Update: 2020 Vermont Tax Relief

Frequently Asked Questions

The Vermont Department of Taxes continues to carefully monitor the evolving situation related to the COVID-19 pandemic. We are working closely with the office of Gov. Phil Scott, the legislature, and community leaders. We are also following changes at the federal level and adhering to guidance from the Vermont Department of Health.

For the most recent updates and details, please visit tax.vermont.gov and read our press release at tax.vermont.gov/press/date-guidance.

Meals and Rooms Taxes and Sales and Use Taxes

What did the Department of Taxes announce about Meals and Rooms Tax and Sales and Use Tax?

The Department announced on Monday, March 23, that until further notice, it will not assess penalties or interest for those businesses that have been affected by the COVID-19 pandemic and cannot meet the March 25, 2020, or April 25, 2020, sales and use tax or meals and rooms tax deadlines.

Are my meals and rooms taxes or sales and use taxes abated?

No, by law the Commissioner of Taxes cannot authorize an abatement of a business's obligation to pay the taxes it has collected from customers.

Did the announcement cancel collection of meals and rooms or sales and use tax moving forward?

No, this announcement did not cancel collection of these taxes moving forward. Businesses should continue to collect the taxes moving forward as normal.

Is the due date for the filing and tax payment moved?

No, the Commissioner does not have legal authority to move the due date for the returns. Businesses that can file the return and make the tax payment by the

original due date should do so. However, the Department understands the unprecedented challenges that our small and local businesses are facing right now, so until further notice, it is waiving penalty and interest for those who are not able to meet these deadlines.

If I've already paid, is my business entitled to a refund?

This announcement was only forgiveness of late penalties or interest for these taxes for those who cannot meet the upcoming March 25 or April 25 deadlines; it was not an abatement or forgiveness of the tax.

What if I can file the return but don't have the money to pay right now?

Please file the return even if you cannot afford to make the payment right now. Filing the return provides important information to the state that will help us navigate this challenging situation.

See information on income tax and due dates on page 2.

Disclaimer: The information provided here is intended to be an overview only. Vermont tax statutes, regulations, Vermont Department of Taxes rulings, or court decisions supersede information presented here.

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Income Taxes and Due Dates

Do I still have to file my federal and state taxes by April 15?

No, the filing dates for Vermont personal income tax, corporate income tax, and fiduciary income taxes have all moved to July 15, 2020. However, the Department is still processing returns and refunds, and we encourage anyone who is expecting a refund to file so that we can get that money back into your hands as soon as possible. We also strongly encourage electronic filing and direct deposit as that will get you your refund faster than if you mail your return.

Will I incur penalties or have to pay interest if I wait until July 15 to file?

No, all penalties and interest will be waived.

Do I still need to file my Homestead Declaration and my Property Tax Credit Claim by April 15?

No, the deadlines for Homestead Declarations and Property Tax Credit Claims have also been extended to July 15. However, you are still allowed to file now and if you are able, you are encouraged to do so.

Will I have to pay the \$15 late fee for my Property Tax Credit Claim if I wait until July 15 to file?

No, the late filing fee will not be deducted from your claim if you file before July 15.

What if I am able to file now?

If you can file now, we encourage you to do so. Electronic filing and online services are still available.

What if I am expecting a refund?

We recommend filing now if you are expecting a refund. We also recommend choosing direct deposit as your method of receiving your refund.

Will the Department of Taxes be able to process my return and my refund even with the national emergency?

Yes, most of our staff have transitioned to working remotely and will continue working hard to process returns and issue refunds in a timely manner.

I scheduled a payment with my commercial tax preparation software, how do I cancel?

The Department is able to cancel any scheduled payment upon written request. We recommend you email tax.individualincome@vermont.gov with your request. In your email, be sure to specify the date of the scheduled payment you wish to cancel. To submit a payment for a different date, please visit myvtax.vermont.gov.

What if I still have questions?

Please check our website at tax.vermont.gov. The website also has instructions to send an email if you need additional help.

**For all Coronavirus (COVID-19) updates as they relate to Vermont taxes,
visit tax.vermont.gov/coronavirus**